

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

IN THE MATTER OF THE APPLICATION)
OF ORBITCOM, INC. REQUESTING)
UNIVERSAL SERVICE SUPPORT FOR)
SUPPORTED SERVICES IN QWEST)
EXCHANGES)
)
)
)

Application No. NUSF - 47

**DIRECT TESTIMONY
OF
BRAD VANLEUR**

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Brad VanLeur. My business address is 1701 North Louise Avenue, Sioux Falls,
South Dakota 57107.

Q. BY WHOM AND IN WHAT CAPACITY ARE YOU EMPLOYED?

A. I currently serve as the President of OrbitCom, Inc. ("OrbitCom"), and have held that
position since OrbitCom was formed in 2002.

Q. PLEASE DESCRIBE YOUR BACKGROUND AND QUALIFICATIONS.

A. I have been employed in the telecommunications industry for approximately 20 years. In
addition to my work at OrbitCom I was previously employed as Vice-President of Marketing
and Operations and Manager of the Northern Region for Advanced Communications in St.
Louis, Missouri. Also, I served as Vice-President, part-owner and consultant for Firstel, a
CLEC based out of Sioux Falls, South Dakota, and was previously employed as Director of
Operations (South Dakota) for LDDS/Worldcom. Prior to that I served as Regional Sales

1 Manager for Dial-Net and Sales Manager for Computel, both of which were based out of
2 Sioux Falls.

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4 My experience in the telecommunications industry is fairly wide-ranging, from regulatory
5 compliance to customer service.

6
7 **Q. WHAT IS ORBITCOM?**

8 A. OrbitCom is a competitive local exchange carrier authorized to provide service in thirteen
9 states in Qwest Corporation's 14-state territory, and is in the process of obtaining authority
10 in the lone remaining state (New Mexico). OrbitCom focuses exclusively on those
11 exchanges served by Qwest Corporation, and provides telecommunications services largely
12 through unbundled network elements that it leases from Qwest.

13
14 **Q. ARE YOU FAMILIAR WITH ORBITCOM'S AUTHORITY IN THE STATE OF**
15 **NEBRASKA?**

16 A. Yes. My duties at OrbitCom include, among other things, ensuring that OrbitCom remains
17 in compliance with the statutory and regulatory requirements of those states in which it
18 operates.

19
20 OrbitCom was first authorized by this Commission to provide local exchange
21 telecommunications services throughout the state of Nebraska pursuant to the Commission's
22 September 11, 2002, order in Application No. C-2776.

1
2 On September 21, 2004, the Commission granted OrbitCom's application for eligible
3 telecommunications status ("ETC") and Nebraska eligible telecommunications ("NETC")
4 status in Qwest's Nebraska service territory.
5

6 **Q. WHAT DOES ORBITCOM SEEK THROUGH THE PRESENT APPLICATION?**

7 A. Prior to September 2004 OrbitCom provided telecommunications service to customers in
8 Qwest's Nebraska exchanges, largely through the resale of Centrex (central office exchange)
9 service. In the fall of 2004 OrbitCom began to convert these Centrex lines to an unbundled
10 network element platform (UNE-P) through an agreement OrbitCom reached with Qwest.
11 This conversion process took some time to implement.
12

13 In its November 3, 2004, Findings and Conclusions in Application No. NUSF-26, this
14 Commission adopted a hold-harmless provision with respect to the business lines for which
15 competitive NETCs like OrbitCom were then receiving NUSF support. That hold-harmless
16 provision was only applicable for those lines reported for September 2004. Business lines
17 acquired by a NETC after September 2004 are not eligible for NUSF support.
18

19 As of the September 2004 cutoff OrbitCom had approximately 219 business lines in Qwest's
20 Nebraska exchanges that were in the process of being converted from Centrex to UNE-P.
21 Although they clearly were customers of OrbitCom and in place as of September 2004, these
22 business lines were not reported by OrbitCom as of September 2004 because they had not
23 yet been converted to a UNE-P basis.

1 OrbitCom believes that it should be eligible for NUSF support for those business lines that
2 OrbitCom was providing service to via Centrex as of September 2004 that were subsequently
3 converted to a UNE-P basis by OrbitCom. Simply put, what OrbitCom seeks is a very
4 narrow, well-defined clarification of the NUSF-26 Findings and Conclusions for an
5 extremely limited universe of only 219 business lines.

6
7 The unique circumstances under which OrbitCom seeks NUSF support represent a classic
8 example of a substance-over-form policy justification for granting support. The
9 Commission's underlying policy reasons for adopting its original hold harmless provision
10 are applicable to OrbitCom's business lines for the identical reasons that the hold harmless
11 provision was applicable to the CNETCs who reported business lines in September 2004.

12
13 In September 2004, OrbitCom had 219 business lines that were in the process of being
14 converted from Centrex to UNE-P. The only reason that such lines were not reported in
15 September 2004 was that they were not yet *technically* UNE-P. However, as a practical
16 matter, the 219 business end-user/customers in September 2004 experienced no change in
17 the service they received when the conversion was made from Centrex to UNE-P. For all
18 practical purposes, OrbitCom was in the identical position of the CNETCs who benefitted
19 from the hold harmless provision. Therefore, for the same policy reasons the Commission
20 identified in adopting the hold harmless provision in its November 3, 2004 Findings and
21 Conclusions in NUSF-26, OrbitCom urges the Commission to grant OrbitCom NUSF
22 support for OrbitCom's 219 business lines as of September 2004.

1 Finally, the circumstances under which OrbitCom seeks support are rather narrow and
2 unique, and there is no evidence to suggest that granting this limited support to OrbitCom
3 will result in other carriers coming forward requesting similar support.

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5 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

6 A. Yes.